OIL, GAS & MINING



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 26, 2013

Certified Return Receipt 7010 2780 0002 7254 0906

Jacob Skabelund American Trilobite Suppliers Inc. 10496 Raining Sky Street Las Vegas, Nevada 89178

Subject: <u>Division Directive to Reclaim or to Provide Evidence of a New Lease, American Trilobite Suppliers Inc.</u>, Red Wheeler Mine, S/027/0112, Millard County, Utah

Response or reclamation required by November 1, 2013.

Dear Mr. Skabelund:

The Division of Oil, Gas and Mining was notified by the School and Institutional Trust Lands Administration (SITLA) that state leases ML 48944, ML 51687, and ML 51739—each associated with the Red Wheeler Mine—have been cancelled. Since you are no longer authorized to mine at this site, you are hereby directed to <u>EITHER</u>:

1) Regrade existing mining-related disturbances by November 1, 2013. It is recommended that the site be reseeded immediately on freshly-roughened soil. Once complete, submit a request for partial release of the reclamation surety by signing and submitting the attached form MR-SITE.

OR

2) Provide evidence of one or more new leases to the Division by November 1, 2013. A letter from SITLA confirming the issuance of a new lease would suffice.

Failure to proceed with reclamation or leasing may result in enforcement action and associated fines. The Division will inspect these areas to evaluate both reclamation earthwork and existing revegetation on past regrading to determine how much reclamation surety will need to be retained.

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If you have questions or concerns about this letter, please contact Peter Brinton at 801-538-5258, or me at 801-538-5261. Thank you for your cooperation.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB: pnb: eb

Enclosed: Form MR-SITE

c: Jerry Mansfield, SITLA (jmansfield@utah.gov)

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